

SENATE BILL 281

R7

0lr0149
CF 0lr0150

By: **The President (By Request – Administration) and Senators DeGrange, Robey, Kramer, King, Currie, Munson, Brochin, Forehand, Frosh, Garagiola, Klausmeier, and Lenett**

Introduced and read first time: January 22, 2010

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Excise Tax – Tax Credit for Electric Vehicles**

3 FOR the purpose of repealing a certain obsolete credit against the motor vehicle excise
4 tax for certain qualified hybrid vehicles and certain qualified electric vehicles;
5 allowing a credit against the motor vehicle excise tax for certain qualified
6 plug-in electric drive vehicles for a certain period; transferring certain money
7 from the Strategic Energy Investment Fund to the Transportation Trust Fund
8 in a certain fiscal year; requiring the Governor to transfer money from the
9 Strategic Energy Investment Fund to the Transportation Trust Fund in certain
10 fiscal years; and generally relating to a motor vehicle excise tax credit for
11 certain qualified plug-in electric drive vehicles.

12 BY repealing

13 Article – Transportation
14 Section 13–815
15 Annotated Code of Maryland
16 (2009 Replacement Volume and 2009 Supplement)

17 BY adding to

18 Article – Transportation
19 Section 13–815
20 Annotated Code of Maryland
21 (2009 Replacement Volume and 2009 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
23 MARYLAND, That Section(s) 13–815 of Article – Transportation of the Annotated
24 Code of Maryland be repealed.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
2 read as follows:

3 **Article – Transportation**

4 **13–815.**

5 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
6 MEANINGS INDICATED.

7 (2) “EXCISE TAX” MEANS THE TAX IMPOSED UNDER § 13–809 OF
8 THIS SUBTITLE.

9 (3) “QUALIFIED PLUG–IN ELECTRIC DRIVE VEHICLE” MEANS A
10 4–WHEELED MOTOR VEHICLE THAT:

11 (I) IS MADE BY A MANUFACTURER;

12 (II) IS MANUFACTURED PRIMARILY FOR USE ON PUBLIC
13 STREETS, ROADS, AND HIGHWAYS;

14 (III) HAS NOT BEEN MODIFIED FROM ORIGINAL
15 MANUFACTURER SPECIFICATIONS;

16 (IV) IS ACQUIRED FOR USE OR LEASE BY THE TAXPAYER AND
17 NOT FOR RESALE;

18 (V) IS RATED AT NOT MORE THAN 8,500 POUNDS UNLOADED
19 GROSS VEHICLE WEIGHT;

20 (VI) HAS A MAXIMUM SPEED CAPABILITY OF AT LEAST 55
21 MILES PER HOUR;

22 (VII) IS PROPELLED TO A SIGNIFICANT EXTENT BY AN
23 ELECTRIC MOTOR THAT DRAWS ELECTRICITY FROM A BATTERY THAT:

24 1. HAS A CAPACITY OF NOT LESS THAN 4 KILOWATT
25 HOURS; AND

26 2. IS CAPABLE OF BEING RECHARGED FROM AN
27 EXTERNAL SOURCE OF ELECTRICITY; AND

28 (VIII) IS ACQUIRED BY THE TAXPAYER ON OR AFTER
29 OCTOBER 1, 2010, BUT BEFORE JULY 1, 2013.

1 **(B) (1) A CREDIT IS ALLOWED AGAINST THE EXCISE TAX IMPOSED**
2 **FOR A QUALIFIED PLUG-IN ELECTRIC DRIVE VEHICLE.**

3 **(2) SUBJECT TO THE LIMITATIONS UNDER SUBSECTIONS (C)**
4 **THROUGH (E) OF THIS SECTION, THE CREDIT ALLOWED UNDER THIS SECTION**
5 **EQUALS 100% OF THE EXCISE TAX IMPOSED FOR A VEHICLE.**

6 **(C) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED**
7 **\$2,000.**

8 **(D) THE CREDIT ALLOWED UNDER THIS SECTION IS LIMITED TO THE**
9 **ACQUISITION OF:**

10 **(1) ONE VEHICLE PER INDIVIDUAL; AND**

11 **(2) 10 VEHICLES PER BUSINESS ENTITY.**

12 **(E) A CREDIT MAY NOT BE CLAIMED UNDER THIS SECTION:**

13 **(1) FOR A VEHICLE UNLESS THE VEHICLE IS REGISTERED IN THE**
14 **STATE; OR**

15 **(2) UNLESS THE OWNER HAS ALREADY CONFORMED TO ANY**
16 **APPLICABLE STATE OR FEDERAL LAWS OR REGULATIONS GOVERNING**
17 **CLEAN-FUEL VEHICLE OR ELECTRIC VEHICLE PURCHASES APPLICABLE DURING**
18 **THE CALENDAR YEAR IN WHICH THE VEHICLE IS TITLED.**

19 **(F) THE MOTOR VEHICLE ADMINISTRATION SHALL ADMINISTER THE**
20 **CREDIT UNDER THIS SECTION.**

21 SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding any
22 other provision of law, for fiscal year 2011, \$279,000 shall be transferred from the
23 Strategic Energy Investment Fund established under § 9-20B-05 of the State
24 Government Article to the Transportation Trust Fund to offset a reduction in revenues
25 from the vehicle excise tax credit for qualified plug-in electric drive vehicles
26 established under Section 2 of this Act.

27 SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding any
28 other provision of law, for fiscal years 2012 and 2013 only, the Governor shall include
29 in the annual budget bill a transfer of funds from the Strategic Energy Investment
30 Fund established under § 9-20B-05 of the State Government Article to the
31 Transportation Trust Fund in an amount estimated to offset the reduction in revenues
32 from the vehicle excise tax credit for qualified plug-in electric drive vehicles
33 established under Section 2 of this Act.

1 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2010.